



United States Department of the Interior

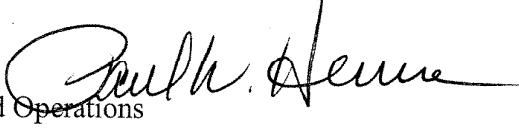
FISH AND WILDLIFE SERVICE
Washington, D.C. 20240

In Reply Refer To:
FWS/CFM

OCT 22 2003

Memorandum

To: Regional Chief Financial Officers

From: Assistant Director-Business Management and Operations 

Subject: Ongoing Efforts to Evaluate and Adjust Purchase Card Authority

In December 2002, we approved a phased plan to reduce the number of purchase cards and to lower spending limits throughout the Service. The Division of Contracting and Facilities Management (CFM) in coordination with the Division of Financial Management (DFM) has closed 124 inactive accounts and worked with the Bank of America to set up new option sets for reduced spending limits. As we implement the second phase, we will reduce the overall spending limits for the majority of micropurchase accounts from \$50,000 to \$20,000. However, some program offices might need higher spending limits for individual accounts, such as the Fire Program or Law Enforcement activities. Under those special circumstances, please send a waiver request to Robert Ashworth, Chief, Division of Contracting and Facilities Management.

In addition to the higher purchase spending limits for contracting officers, we have established a new category of "Ordering Officers" with delegated authority to use their purchase cards above the micropurchase threshold for IT hardware purchases, and other limited contract activities; e.g., ordering contaminants analysis, and simplified purchase agreements with the Government Printing Office. Ordering Officers must be appointed in writing by the Service Bureau Procurement Chief, Robert Ashworth. Please visit the CFM website at <http://sji.fws.gov/r9cgs> for more information.

The Bank of America has responded to our request to issue new account option sets with lower overall spending limits for the purchase business line, and new option sets with appropriate spending limits for our Ordering Officer program (see attached).

Keep in mind that all new applications for purchase card accounts must comply with the following procedures:

- Managers will review the number of accounts already available in the office and determine if another account is necessary. If the manager asks for a new purchase account, he or she must justify the need, certify the employee is eligible based on established criteria (a positive payment history for the travel business line and appropriate knowledge of the card's uses and restrictions), and rationalize the requested credit limit.
- Applications submitted for new accounts will be subject to tighter eligibility conditions.

- Employees with substantiated reports of delinquent payments on the travel business line, unauthorized commitments, or using the charge card for unauthorized reasons are ineligible for purchase authority.

We will continue to monitor accounts for further reductions, and will deactivate dormant accounts according to the following procedures:

- Program offices must justify keeping any cardholder's account which has an extended period of inactivity. We will remove purchase authority from cards showing no transaction activity in the past year. Cardholders with 1 to 5 transactions a year may keep purchase authority with appropriate justification; for example, the cardholder serves as a backup to the primary purchasing employee.
- We will distribute a list of these accounts to the Regional Charge Card Coordinators to facilitate justification or removal of the purchase business line.

In our effort to educate our cardholders on the proper management of their accounts, we have developed and mailed to you copies of our wallet-sized, laminated list of purchase card "do's and don'ts." Please distribute these to existing and new cardholders.

We appreciate your continued cooperation as we work together to improve our charge card program. If you have questions, please contact Randy Van Pelt, our Lead Charge Card Coordinator, Division of Financial Management, 303-984-6806, or Ramona Polk, Purchase Card Coordinator, Division of Contracting and Facilities Management-WO, 703-358-1783.

Attachment

Attachment

NEW OPTION SETS FOR REDUCED SPENDING LIMITS AND ORDERING OFFICERS

<u>Option Set</u>	<u>Account Type</u>	<u>Overall Limit</u>	<u>Purchase Business Limit</u>	<u>Single Transaction Limit¹</u>
03E02	Micropurchase	\$20,000	\$20,000	\$2,500
03E32	Micropurchase/Travel	\$32,000	\$20,000	\$2,500
03E05	Ordering Officer	\$75,000	\$75,000	\$25,000
03E06	Ordering Officer	\$150,000	\$150,000	\$50,000
03E07	Ordering Officer	\$225,000	\$225,000	\$75,000
03E08	Ordering Officer	\$300,000	\$300,000	\$100,000
03E51	Ordering Officer/Travel	\$150,000	\$75,000	\$25,000
03E52	Ordering Officer/Travel	\$150,000	\$150,000	\$50,000
03E53	Ordering Officer/Travel	\$225,000	\$225,000	\$75,000
03E54	Ordering Officer/Travel	\$300,000	\$300,000	\$100,000

UNCHANGED OPTION SETS AND SPENDING LIMITS

03E30	Warranted Purchase	\$2,000,000	\$2,000,000	\$100,000
03E10	Travel	\$12,000		
03E11	Travel Overseas/Exceptional Need	\$29,000		
03E12	Travel No ATM	\$10,000		
03E13	Travel Fire/Emergency	\$50,000		
03E20	Fleet	\$5,000		
03E31	Nonwarranted Purchase/Travel	\$62,000	\$50,000	\$2,500
03E35	Nonwarranted Purchase/ Travel Emergency	\$84,000	\$50,000	\$2,500
03E36	Warranted Purchase/ Travel Emergency	\$2,000,000	\$2,000,000	\$100,000
03E40	Invitational Travel	\$300,000		

¹ Although ordering officers have higher spending limits for specific contract activities, their spending threshold for all other purchases will remain at \$2,500 per single transaction. An ordering officer may only be designated in writing by the Bureau Procurement Chief, Bob Ashworth.